THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) and (b). The recent hike in the price of petroleum products is likely to result in a one time jump in the rate of inflation by about 1.5 per cent.

Inspite of the compulsion of reducing the deficit in the oil Pool Account, the Government has taken a conscious decision to protect the household by keeping the price of kerosene unchanged. Even in the case of LPG which is used by relatively better off sections of society, it has been decided to keep LPG price relatively lower than the price charged by the parallel marketeers.

(c) It is yet too early to assess the impact of recent price hike of petroleum products on each of the 30 essential commodities.

(d) The important steps contemplated by the Government to contain price rise in essential commodities are :

1. continuation of open market sale by FCI of rice and wheat.
2. continuing CGL import policy for selected essential commodities such as sugar, edible oils, pulses and low fat milk powder at nil or reduced duty. Import duty on edible oils reduced to 20%.
3. Import of edible oils on Government account for supply through PDS.
4. strive to control fiscal deficit to 5 per cent of GDP.
5. containing monetary growth to a reasonable level.
6. maintaining a liberal import policy, combined with reduction in import duties for most of the commodities.
7. reduction in excise duties in some of the consumer goods.

Export of Coir Products

1889. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of INDUSTRY be pleased to state :

(a) the details of export of coir products made during 1994-95 and 1995-96, and

(b) the target fixed for export of coir products during the current year?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a)

YEAR	QUANTITY (tonnes)	VALUE (Rs. in crores)
1994-95	48086	171.64
1995-96	48276	206.85

(b) The target fixed for export of coir products during 1996-97 is US$ 60 million (Rs. 211.00 crores).

Succession Problem of Share

1890. SHRIMATI JAYAWANTI NAVIN CHANDRA MEHTA : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the Government are aware of succession problem of shares and debentures in the absence of nomination clause;

(b) if so, whether the Government propose to add nomination clause in the securities proforma; and

(c) if not, the remedial steps being taken or proposed to be taken to facilitate succession of securities?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) :

(a) Yes, Sir.

(b) Yes, Sir.

(c) Does not arise in view of the answer to part (b) above.

Implementation of Nayak Committee Report

1891. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the small scale industries associations have sought the immediate implementation of the Nayak Committee Report;

(b) if so, the decision taken by the Government thereon, and

(c) the details of the recommendations made by the Nayak panel and those which have not been implemented so far alongwith the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) and (c) The Reserve Bank of India (RBI) has reported that almost all the major recommendations of Nayak Committee have been accepted by it and necessary guidelines/instructions issued to banks. The guidelines/instructions issued by RBI to scheduled commercial banks include the following :

(i) to grant working capital credit limits to small scale industrial (SSI) units computed on the basis of a minimum of 20% of their projected annual turnover to the SSIs whose credit limit in individual cases is less than Rs. one crore.

(ii) to give preference to village industries, tiny industries and other small scale units in that order while meeting the credit requirements of the SSI sector.

(iii) to prepare annual budget on the 'bottom up basis to ensure that the legitimate requirements of SSI sector are met in full during the VIII Five Year Plan period.

(iv) to extend the 'Single Window Scheme' of Small Industries Develpment Bank of India (SIDBI) to all districts.

(v) to ensure that there should not be any delay in sanctioning and disbursal of credit to SSI ector.

(vi) banks should not insist on compulsory deposits as a quid pro quo' for sanctioning the credit limits.

(vii) to open specialised SSI branches or convert those branches which have a fairly large number of SSI borrowal accounts into specialised branches.

(viii) potentially viable sick units should be identified and urgent action should be taken to put them o n the nursing programme.

(ix) the standardised loan application forms to be used by SSI units for applying for loans should be further simplified.

RBI has further reported that such of the recommendations which were not found practicable have not been accepted.

Production of Coal

1892 SHRI SANDIPAN THORAT
SHRI PRAMOD MAHAJAN

Will the Minister of COAL be pleased to state:

(a) whether coal production in the country is not keeping pace with the demand resulting in increasing import of coal over the last three years;

(b) if so, the details of coal produced and imported during the last three years, year-wise alongwith projected demand and supply of coal and likely import during next five years; and

(c) the specific steps taken/proposed to be taken to reduce import of high grade coal by producing more coal to meet the growing requirement?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b) There has been significant growth of coal production in the country. Year-wise quantity of coal produced (all India) during the last three years was as under:

(in million tonnes)

1993-94	246 04
1994-95	253 73
1995-96	270 12

The total import of coal (including coke etc.) into the country, as per the statistics available in the Directorate General of Commercial Intelligence and Statistics during the last three years was as follows:

Year	Total Imports of coal including coke etc (in million tonnes)
1993-94	7.5
1994-95	11 4
1995-96	13 2

The overall demand for coal for the year 1996-97 has been assessed at 325 million tonnes whereas the availability of coal from indigenous sources is projected at 290 65 million tonnes. The demand projections for Ninth Plan period i.e. 1997-2002, have not been firmed up. However, the Planning Commission has constituted a Working Group on Coal and Lignite to prepare an approach paper for the Ninth Plan. The provisional report of this Working Group indicates that in the year 2001-02 the supply of coal would be 348 m t. from all indigenous sources excluding the captive mining blocks which are expected to come up in the private sector.

(c) Import of coking coal required for metallurgical purposes cannot be totally eliminated, since these are also required for blending with indigenous coal on quality considerations. The country also has limited reserves of coking coal as well as the superior grades of non-coking coals. However, steps are being taken to augment indigenous production of coking coal as well as non-coking coals to the extent practicable. These include the following:

(i) Opening up of new mines and increasing efficiency and productivity in existing mines by modernisation, application of new technologies and ensuring timely availability of inputs and infrastructural facilities.

(ii) Partial de-regulation of coal prices is likely to improve internal resource generation of coal companies which will enable new projects to be taken up. It will also improve the financial viability of new mining projects.

(iii) The capital base of Coal India Limited has been restructured to enable it to raise additional financial resources from the capital markets which are required to add new coal production capacity.

(iv) Steps are being taken in co-ordination with the Railways to remove the transportation bottlenecks in such coalfield areas which have potential for enhanced production.

(v) Steps are being taken to remove the bottlenecks in land acquisition.

(vi) Private sector companies engaged in production of iron and steel, cement and